

**Testimony of Loraine Martinez Bellamy
Connecticut Co-Chair of the National Association of Consumer Advocates,
in Support of H.B. 6466, An Act Concerning Property That Is Exempt
From a Judgment Creditor**

My name is Loraine Martinez Bellamy, and I am an attorney and the Connecticut Co-Chair of the National Association of Consumer Advocates (NACA). NACA is a national, non-profit association of attorneys and consumer advocates committed to promoting justice for consumers. Connecticut NACA members assist consumers on a range of legal issues, such as abusive sales and collection practices, racial discrimination in lending, and inaccurate credit reporting that keeps consumers from getting a new home or job. We make a difference in our clients' lives and serve the public interest by redressing unfair practices likely to harm many.

We support H.B. 6466, which would update Connecticut's homestead exemption to fulfill its purpose of protecting a modest home and car from creditors so that a debt does not leave families destitute and without shelter or transportation.

Homestead exemptions protect essential assets such as a car, a home, or tools of the trade from execution by judgment creditors, but Connecticut's are out of date and out of step with many states. Connecticut's \$75,000 homestead exemption for homes and \$3,500 motor vehicles have both received "D" ratings from the National Consumer Law Center. 37 states have higher motor vehicle exemptions, and 21 states have higher homestead exemptions for homes. For example, Massachusetts protects homes valued at \$500,000, Minnesota protects \$420,000, and Montana protects \$250,000.

Connecticut's low homestead exemptions put families at risk of losing their homes or family car due to debt. Connecticut's median home value is around \$255,000. A homestead exemption for real property of just \$75,000 means the vast majority of homes in our state, even modest homes, are not adequately protected from creditors. Similarly, the \$3,500 exemption for cars protects few cars since it is less than a quarter of the average value of a modest used car.

H.B. 6466 would increase the real property exemption to \$250,000 and the motor vehicle exemption to \$7,000. This would more closely align our homestead exemptions with the actual value of family cars and homes in our state, and with the exemptions in other states. We urge the passage of H.B. 6466.